

# City Council Presentation





# Original '5 Year Plan' Objectives

- Started July, 2011 with UIA Bonding
- New bonding will generate sufficient revenues to:
  - Cover new debt obligations
  - Reach operational break-even
- Deploy as much infrastructure as resources allow
- Contribute to debt relief (pledge payments)





# Original '5 Year Plan' Strategies

- Asset deployment based on best ROI
  - Calculate Payback based on:
    - Estimated Construction Costs
    - Anticipated Revenue
  - Rank by quickest payback
- Increase addressable market
- Leverage stimulus build
- Maximize operational efficiency





# Original '5 Year Plan' Performance



- Covered all new debt payments without hitting city backstops
- Increased addressable market
- Completed stimulus build-out
- Completed Sweet Spot construction build (Phase II Business Focus)
- Added over 6,200 UIA subscribers since July 2011





# Original '5 Year Plan' Performance (Continued)

- UIA recurring revenues grown to over \$625,000 per month
- Combined Network Recurring Revenues over \$1,000,000
  - Continues to grow at \$10,000 – \$15,000 per month
    - FY15 average growth \$14,000

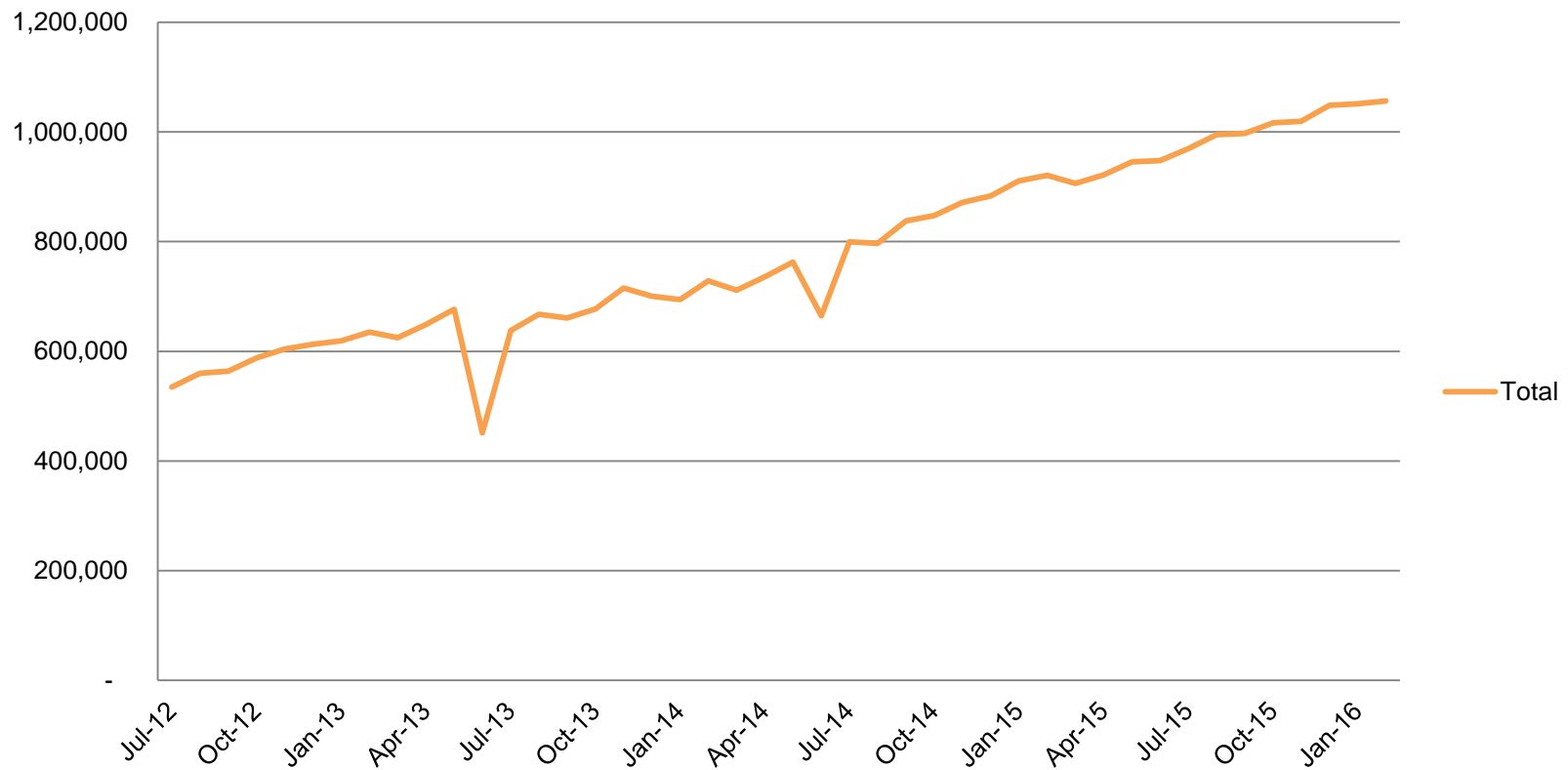




# Combined Revenue Growth



**Recurring Revenue  
Combined (UTOPIA and UIA)**





# Original '5 Year Plan' Performance (Continued)

- Operational Break Even achieved prior to December 2015
  - Achieved break even status prior to realizing benefits of final \$24M Bond
- City Assessments
  - Do not anticipate sending assessments in FY16
  - Some cities still have outstanding balance on prior assessments





# Continue to follow original '5 Year Plan' Strategies



- Asset deployment based on best ROI (with a bias towards parity)
  - Calculate Payback based on:
    - Construction Costs
    - Anticipated Revenue
  - Rank by quickest payback
- Stimulus and Open Trench Opportunities push some projects to top of list
- Also continued focus on:
  - Business
  - “Green” Addresses”





# Technology Update



- Core, Distribution, Access Upgrades
- Residential Services
  - 250Mbps
  - 1Gbps
- Business/Carrier Services
  - Up to 100Gbps
  - Dark Fiber





# New Customer Growth - 2015



| City             | Sales        |
|------------------|--------------|
| Brigham City     | 88           |
| Centerville      | 140          |
| Layton           | 374          |
| Lindon           | 130          |
| Midvale          | 72           |
| Murray           | 240          |
| Orem             | 262          |
| Payson           | 73           |
| Tremonton        | 127          |
| West Valley City | 94           |
| <b>TOTAL</b>     | <b>1,600</b> |





# 2016 Marketing Focus



- Targeting available Residential addresses
  - New installations (new and existing footprints)
  - Disconnects
- Green Fields and New Build opportunities
  - Opportunities based on ROI
  - Place (or have placed) conduit wherever possible
- Continue to focus on Business connections





# Current Marketing Efforts



- Available Addresses
  - UTOPIA campaign underway in all cities
    - City specific mailers, digital ads, and social media
    - Continue our focus on business
- New Footprints
  - Promotions, events, and utilizing UTOPIA advocates
- Increased ISP Involvement
- City Involvement





# Direct Mail



This month you've  
got one more  
gift to open!

The UTOPIA fiber network is in your area and ready for you! With speeds of 250Mbps and 1Gbps, now you can get the most from all your new Christmas devices.





# Digital Ads



**DO IT ALL FASTER  
WITH UTOPIA.**

» Connect Now!

A digital advertisement featuring a young couple sitting on a couch, looking at a tablet together. The man is pointing at the screen while the woman looks on. The background is a bright, out-of-focus indoor setting.

**STREAM ON.  
GAME ON.**

» Connect Now!

A digital advertisement featuring an older man and a young boy sitting on a couch, playing video games. The man is holding a game controller and looking at the screen, while the boy sits next to him, also looking at the screen. The background is a bright, out-of-focus indoor setting.

**CONNECT NOW IN  
OREM!**

» Connect Now!

**UTOPIA**  
Residential

A digital advertisement featuring a couple sitting on a couch, looking at a tablet together. The man is pointing at the screen while the woman looks on. The background is a bright, out-of-focus indoor setting. The UTOPIA Residential logo is in the bottom right corner.



# Yard Signs – Guerrilla Marketing



**MY INTERNET IS  
WAAAAAY  
FASTER  
THAN YOURS**

**UTOPIAnet.org**





# Service Provider Marketing Efforts



**Your Home is ALREADY connected  
to the UTOPIA network.**

A row of stylized houses, with one house in the center highlighted in green, symbolizing connectivity to the UTOPIA network.

 **Call today to experience the world's fastest internet for yourself!**  
Plus, for a limited time, your first month of Internet service is **FREE!**

**844.533.6881**





# Thank You

